

K.C. MALHOTRA & CO.
CHARTERED ACCOUNTANTS

R-79, GREATER KAILASH-I,
NEW DELHI- 110 048 (INDIA)
Phone: + 91-11-41608133, 26418337
E.mail: rem_kemalhotra@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FREELook SOFTWARE PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Freelook Software Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2017, the Statement of cash flows and the Statement of changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as 'standalone Ind AS financial statements')

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the financial position of the company as at March 31, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, Statement of Profit and Loss, the statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rule issued thereunder.
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, as required to be transferred to the Investor Education and protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management – Refer Note 6 to the standalone Ind As financial statements.

For K.C.Malhotra & Co.
Chartered Accountants
(Regn.No.000057N)



(Ramesh Malhotra)
Membership No.013624
Place: New Delhi
Date:28th May,2017

K.C. MALHOTRA & CO.
CHARTERED ACCOUNTANTS

R-79, GREATER KAILASH-I,
NEW DELHI- 110 048 (INDIA)
Phone: + 91-11-41608133, 26418337
E.mail: rem_kcm_malhotra@yahoo.co.in

Annexure 'A' to the Auditors' Report

The annexure referred to in Independent Auditor's Report of even date to the members of Freelook Software Private Limited on the standalone financial Statements as of and for the year ended 31st.March,2017

- I a)The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset.
- b)The management has certified that it has conducted a physical verification of the fixed asset during the year, and no material discrepancies were noticed on such verification.
- c)The title deed of immovable property is held in the name of the company.
- ii The Company's business does not involve inventories and accordingly the requirements paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- iii According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- v The Company has not accepted any deposits from the public.
- vi Maintenance of cost records has not been prescribed to the company by the Central Government under Section 148(1) of the Companies Act, 2013
- vii a)The Company is regular in depositing with appropriate authorities undisputed statutory dues including, income-tax, and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, service tax, duty of custom, value added tax, cess and duty of excise are not applicable to the Company.
- b)According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, sales-tax, wealth tax, value added tax,service tax, duty of custom, cess, employee state insurance and duty of excise are not applicable to the company.
- c)According to the information and explanations given to us, there are no dues of income tax, which have not been deposited on account of any dispute. The provisions relating to sales-tax service tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- viii The Company did not have any outstanding dues from banks, financial institutions, debenture holders or government.
- ix Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer) and term loans hence, reporting under clause (ix) of the order is not applicable to the Company and hence not commented upon.
- x Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by the officers and employees of the company has been noticed or reported during the year.



- xi The provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Therefore, the requirements under paragraph 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- xii In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii According to the information and explanations given by the management, there are no transactions with the related parties during the year under audit and accordingly reporting under clause 3(xiii) in so far as relates to section 188 of the Act is not applicable to the company and hence not commented upon. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of clause 3(xiv) are not applicable and not commented upon.
- xv Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)



(Ramesh Malhotra)
Partner
New Delhi: Membership No:013624
Place:New Delhi
Date:28th.May,2017

Annexure B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Freelook Software Private limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2017.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)



(Ramesh Malhotra)
Partner
Membership No: 013624
Place :New Delhi
Date:28th.May,2017

Freelook Software Private Limited
CIN: U72200DL2005PTC133918
Balance Sheet as at 31.03.2017

(In INR)

| | Note | 31.03.2017 | 31.03.2016 | 01.04.2015 |
|--|------|-------------|-------------|-------------|
| ASSETS | | | | |
| (1) Non - current assets | | | | |
| (a) Property, plant and equipment | 4 | 7,36,07,473 | 7,36,07,473 | 6,22,13,264 |
| (b) Financial assets | | | | |
| (i) Investments | | | | |
| (ii) Trade receivables | | | | |
| (iii) Loans | | | | |
| (iv) Others | | | | |
| (c) Deferred tax assets (net) | | | | |
| (d) Other non - current assets | 5 | 19,800 | 19,800 | 19,800 |
| Sub Total (a) | | 7,36,27,273 | 7,36,27,273 | 6,22,33,064 |
| (2) Current assets | | | | |
| (a) Inventories | | | | |
| (b) Financial assets | | | | |
| (i) Investments | | | | |
| (ii) Trade receivables | | | | |
| (iii) Cash and cash equivalents | 6 | 41,48,669 | 39,84,209 | 27,872 |
| (iv) Loans | | | | |
| (v) Others (to be specified) | 7 | 1,94,334 | 1,98,955 | |
| (c) Current tax assets (net) | | | | |
| (d) Other current assets | | | | |
| Sub Total (b) | | 43,43,003 | 41,83,164 | 27,872 |
| Total assets (a+b) | | 7,79,70,276 | 7,78,10,437 | 6,22,60,936 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 8(a) | 2,46,500 | 2,46,500 | 2,17,500 |
| (b) Other equity | 8(b) | 7,76,78,737 | 7,74,86,215 | 6,20,20,636 |
| Sub Total (a) | | 7,79,25,237 | 7,77,32,715 | 6,22,38,136 |
| (1) LIABILITIES | | | | |
| (1) Non - current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | | | | |
| (ii) Trade payables | | | | |
| (iii) Other financial liabilities excl. provisions | | | | |
| (b) Provisions | | | | |
| (c) Deferred tax liabilities (net) | | | | |
| (d) Other non - current liabilities | | | | |
| Sub Total (b) | | | | |
| (2) Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | | | | |
| (ii) Trade payables | 9 | 40,480 | 22,900 | 22,800 |
| (iii) Other financial liabilities | | | | |
| (b) Other current liabilities | | | | |
| (c) Provisions | | | | |
| (d) Current tax liabilities (net) | 10 | 4,559 | 54,822 | |
| Sub Total (c) | | 45,039 | 77,722 | 22,800 |
| Total Equity and Liabilities (a+b+c) | | 7,79,70,276 | 7,78,10,437 | 6,22,60,936 |

The accompanying notes form an integral part to the financial statements

For K.C.Malhotra & Co.
Chartered Accountants
(Firm regd.No.000057N)

(Ramesh malhotra)
Partner
Membership no.013624
Place: New Delhi
Date: 28.5.2017



For and on behalf of Board of directors

(J.K.Chowdhery) Director
DIN:00087556

(S.K.Khorana) Director
DIN:00085300

Freelook Software Private Limited
CIN: U72200DL2005PTC133918
Statement of Profit and Loss for the year ended 31.03.2017

(In INR)

| | Note | 31.03.2017 | 31.03.2016 |
|---|------|-----------------|-----------------|
| I Revenue from operations | | | |
| II Other Income | 11 | 2,95,354 | 2,07,832 |
| III Total income (I + II) | | 2,95,354 | 2,07,832 |
| IV Expenses | | | |
| Other expenses | 12 | 69,969 | 27,543 |
| Total expenses | | 69,969 | 27,543 |
| V Profit / (loss) before exceptional items and tax (I - IV) | | 2,25,385 | 1,80,289 |
| VI Exceptional items | | - | - |
| VII Profit / (loss) before tax (V - VI) | | 2,25,385 | 1,80,289 |
| VIII Income tax expense | 13 | 32,863 | 55,710 |
| IX Profit / (loss) from continuing operations (VII - VIII) | | 1,92,522 | 1,24,579 |
| X Profit / (loss) for the year (IX) | | 1,92,522 | 1,24,579 |
| XI Other comprehensive income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| B (i) Items that will be reclassified to profit or loss | | | |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | | |
| XII Total comprehensive income for the year (X + XI) | | 1,92,522 | 1,24,579 |
| Earnings per equity share for profit from continuing operations : | | | |
| Basic earnings per share | 14 | 7.24 | 5.19 |
| Diluted earnings per share | 14 | 7.24 | 5.19 |

The accompanying notes form an integral part to the financial statements

For K.C.Malhotra & Co.
Chartered Accountants
(Firm regd.No.000057N)

(Ramesh malhotra)
Partner

Membership no.013624

Place: New Delhi

Date: 28.5.2017



For and on behalf of Board of directors

(Handwritten signature of J.K. Chowdhery)

(J.K.Chowdhery)

Director

DIN:00087556

(S.K.Khorana)

Director

DIN:00085300

Freelook Software Private Limited

CIN: U72200DL2005PTC133918

Cash flow statement for the year ended 31.03.2017

(IN INR)

| | Note | 31.03.2017 | 31.03.2016 |
|---|----------|-------------------|----------------------|
| Cash flow from operating activities | | | |
| Profit before tax from | | | |
| -Continuing operations | 11 | 2,25,385 | 1,80,289 |
| Profit before tax from continuing operation | | 2,25,385 | 1,80,289 |
| Adjustment for: | | | |
| Interest income | | (2,95,354) | (2,07,832) |
| Change in operating assets and liabilities | | | |
| Decrease /(increase)in other financial assets | 7 | 4,621 | (1,98,955) |
| increase /(decrease)in trade payables | 9 | 17,580 | 100 |
| Increase / (decrease)in current tax liabilities | 10 | (50,263) | 54,822 |
| Income tax paid | | (32,863) | (55,710) |
| Net Cash outflow from operating activities (A) | | (1,30,894) | (2,27,286) |
| Cash flow from Investing activities | | | |
| Capital expenditure on fixed asset | | | (1,13,94,209) |
| Interest income | 11 | 2,95,354 | 2,07,832 |
| Cash flow used in investing activities | | - | - |
| Net cash in inflow (outflow) from investing activities (B) | | 2,95,354 | (1,11,86,377) |
| Cash flow from financing activities | | | |
| Proceeds of equity shares capital | | - | 29,000 |
| Proceeds of securities premium | | - | 1,53,41,000 |
| Net cash inflow (outflow) from financing activities (C) | | - | 1,53,70,000 |
| Net increase (decrease) in cash and cash equivalents (A+B+C) | | 1,64,460 | 39,56,337 |
| Opening Cash and cash equivalents | 6 | 39,84,209 | 27,872 |
| Cash and cash equivalents as at 31.3.2017 | 6 | 41,48,669 | 39,84,209 |

For K.C.Malhotra & Co.
Chartered Accountants
(Firm regd.No.000057N)

(Ramesh Malhotra)
Partner
Membership no.013624
Place: New Delhi
Date: 28.5.2017



For and on behalf of Board of directors

(J.K.Chowdhery)
Director
DIN:00087556

(S.K.Khorana)
Director
DIN:00085300

Statement of changes in equity

A : Equity share capital

(IN INR)

| | Note | |
|---------------------------------|-------|----------|
| As at 1.4.2015 | | 2,17,500 |
| Changes in equity share capital | 8 (a) | 29,000 |
| As at 31.3.2016 | | 246500 |
| Changes in equity share capital | | - |
| As at 31.3.2017 | | 2,46,500 |

B: Other equity

(IN INR)

| | Reserves and surplus | | | | Items of other comprehensive income | | Total |
|-----------------------------------|----------------------|----------------------------|-----------------|-------------------|-------------------------------------|--|--------------------|
| | Capital reserve | Securities premium reserve | General reserve | Retained earnings | Revaluation Surplus | Other items of other comprehensive income (specify nature) | |
| As at 1.4.2015 | | 6,21,57,500 | | (1,36,864) | | | 6,20,20,636 |
| Profit for the year | | | | 1,24,579 | | | 1,24,579 |
| Addition during the year | | 1,53,41,000 | | | | | 1,53,41,000 |
| Other comprehensive income | | | | | | | |
| Total comprehensive income | | 7,74,98,500 | | (12,285) | | | 7,74,86,215 |
| As at 31.03.2016 | | 7,74,98,500 | - | (12,285) | - | - | 7,74,86,215 |
| As at 1.4.2016 | | 7,74,98,500 | | (12,285) | | | 7,74,86,215 |
| Profit for the year | | | | 1,92,522 | | | 1,92,522 |
| Addition during the year | | | | | | | |
| Other comprehensive income | | | | | | | |
| Total comprehensive income | | 7,74,98,500 | | 1,80,237 | | | 7,76,78,737 |
| As at 31.3.2017 | | 7,74,98,500 | - | 1,80,237 | - | - | 7,76,78,737 |

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For K. C. Malhotra & Co.
Chartered Accountants
(Firm Regn. No. - 000057N)

(Ramesh Malhotra)
Partner
Membership No. - 013624
Place: New Delhi
Date: 28.5.2017



For and on behalf of Board of directors

(Handwritten signatures of J.K. Chowdhery and S.K. Khorana)

(J.K. Chowdhery)
Director
DIN:00087556

(S.K. Khorana)
Director
DIN:00085300

Freelook Software Private Limited

Note 1 : Overview

The company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The company is the wholly owned subsidiary company of Isgec Heavy Engineering Limited holding the entire share capital along with its nominees. The registered office of the company is located at A-740, Sarita Vihar, New Delhi-110076

Note 2 : Significant accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies not specifically referred to otherwise are consistent.

(a) Basis of preparation

(i) Compliance with IND AS

The financial statements comply with in all materials aspects with Indian Accounting standards (IND AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

For all periods upto and including the year ended 31.3.2016, the company prepared its financial statements in accordance with Indian GAPP, including accounting standards notified under the Companies Act, 2013 read together with Rule 7 of the Companies Act, 2014.

These financial statements which comply with IND AS applicable for the year ended 31st March, 2017 are the first financial statements of the company. Refer to Note for information on how the company adopted IND AS.

(ii) Historical cost conventional

The financial statements have been prepared on historical cost basis

(b) Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is classified as current when it is :

- * expected to be realised in normal operating cycle,
- * Held primarily for the purpose of the trading,
- * Expected to be realised within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period



Freelook Software Private Limited

All other assets are classified as non-current.

A liability is classified as current when:

- *it is expected to be settled in normal operating cycle,
- *it is held primarily for the purpose of the trading,
- *it is due to be settled within twelve months after the reporting period, or
- *there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposit with banks. Cash equivalents are short term, highly liquid investments that readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

(d) Provisions

General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that

reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits has become probable.

A contingent asset is not recognized but disclosed when an inflow of economic benefits is probable. A

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only

by occurrence or non-occurrence of one or more uncertain events not wholly within the control of the entity.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based

on the applicable tax rate.

Deferred tax has not been recognized since there are no temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.



Freelook Software Private Limited

(f). Revenue recognition

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income is recognized using the bank deposit rates which is considered to be effective rate of interest. The effective rate of interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (For example prepayments, extension, call and similar options) but does not consider the expected credit losses.

(g) Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company the Weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares plus the weighted average number of equity shares that would be issued on conversion of all the dilutive shares into equity shares.

There are no transactions involving equity shares or potential equity shares between the reporting date and the financial statements.

(h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another equity.

(i) Measurement

At initial recognition, financial assets are recognized at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit or Loss are expensed in profit and loss. After initial recognition, financial assets are classified and measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL) on the basis of:

- a) the entity's business model for managing the financial assets and
- b) the contractual cash flow characteristics of the financial asset.

-Amortised cost :Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.



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-**Fair value through other comprehensive income(FVOCI)** : Assets that are held for collection of cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI)

-Fair value through profit and loss : Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss (FVTPL).

All financial liabilities subsequently measured are at amortised cost, except for:

- financial liabilities at fair value through profit or loss
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the Continuing involvement approach applies
- Financial guarantee contracts

Gain or loss on a financial asset or financial liability that is measured at fair value shall be recognised in profit or loss unless it is a part of hedging relationship or it is an investment in equity instrument for which option to Present gains and losses in other comprehensive income have been opted or it is a financial asset measured at fair value through other comprehensive income.

(ii) Impairment of financial assets

In accordance with ND AS 109 the company applies expected credit loss(ECL) associated with its assets carried at amortised costs i.e. deposits, cash and cash equivalents ,FVOCI DEBT instruments and asset that results from transactions within the scope of IND AS 18 (referred to as contractual revenue receivables). The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company determines that there is no significant increase in credit risk since initial recognition i.e from 1. 4.2015, therefore 12 month ECL is used to provide for impairment loss.

The company does not have any purchased or originated credit –impaired (POCI) financial asset, i.e. financial assets which are credit impaired on purchase/origination.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset ,but assumes a contractual obligation to pay the cash flows to one or more recipients, when the entity has transferred an asset ,the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.



Freelook Software Private Limited

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(j) Trade payables

The amount represents liabilities for services provided to the company prior to the end of the period which are unpaid. The amounts are unsecured non-interest bearings and are usually paid within 60 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized at amortised cost, and the carrying amounts are reasonable approximation of fair value.

(k) Property, plant and equipment

Leasehold land is carried at historical cost. On transition to IND As, the company has elected to continue with the carrying value of leasehold land as at 1.4.2015 measured as per the previous GAPP and use that carrying value as the deemed cost of the leasehold land. The company do not have any other plant and equipment except leasehold as stated above.

Depreciation has not been provided on leasehold as the same is not put to use.

Note 3 : Accounting estimates ,assumptions and judgements

The preparation of financial statements requires the use of accounting estimates , which by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, if any. Uncertainty about these assumptions and estimates could result in outcomes of assets and liabilities affected in future periods.

The area involving critical estimate or judgement is
- estimation of current tax expense and payable --Note 13

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

There are no sources of estimation uncertainty that may have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in future periods ,and also there are no significant judgements that may require disclosures.



Freelook Software Private Limited
Note to financial statements for the year ended 31.03.2017

Note 4 : Property, plant and equipment

| Particulars | Note | Leasehold land | Plant and equipment | Furniture and fixtures | Total |
|---|------|--------------------|---------------------|------------------------|--------------------|
| Year ended 31.3.2016 | | | | | |
| Gross carrying amount | | | | | |
| Deemed cost as at 01.04.2015 | | 6,22,13,264 | | | 6,22,13,264 |
| Additions | | 1,13,94,209 | | | 1,13,94,209 |
| Disposals | | | | | |
| Closing gross carrying amount | | 7,36,07,473 | - | - | 7,36,07,473 |
| Accumulated depreciation | | | | | |
| Depreciation charge during the year | | - | - | - | - |
| Disposals | | - | - | - | - |
| Closing accumulated depreciation | | - | - | - | - |
| Net carrying amount | | 7,36,07,473 | - | - | 7,36,07,473 |
| Year ended 31.3.2017 | | | | | |
| Opening gross carrying amount | | 7,36,07,473 | - | - | 7,36,07,473 |
| Additions | | - | - | - | - |
| Disposals | | - | - | - | - |
| Closing gross carrying amount | | 7,36,07,473 | - | - | 7,36,07,473 |
| Accumulated depreciation | | | | | |
| Depreciation charge during the year | | - | - | - | - |
| Disposals | | - | - | - | - |
| Closing accumulated depreciation | | - | - | - | - |
| Net carrying amount | | 7,36,07,473 | - | - | 7,36,07,473 |

Note: (i) Disclosure under IND AS 16

There is no item of property, plant and equipment which has retired from active use and has not been classified as held for sale in accordance with IND AS 105

(ii) Land acquired under perpetual lease which is for 99 years is shown as a 'leasehold land' under property, plant and equipment. However, no provision for depreciation has been made in respect of the said land as the same is not put to use.



Freelook Software Private Limited
Note to financial statements for the year ended 31.03.2017

Note :5 Other assets

| | 31.03.2017 | | 31.03.2016 | | 1.04.2015 | |
|----------------------------------|---------------|----------|--------------|----------|--------------|----------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Unamortized preliminary expenses | 19,800 | - | 19,800 | - | 19,800 | - |
| Total other assets | 19,800 | - | 19800 | - | 19800 | - |

Note 6 : Cash and cash equivalents

| | 31.03. 2017 | | 31.03. 2016 | | 1.04.2015 | |
|--|--------------|------------------|--------------|------------------|--------------|---------------|
| | Non- Current | Current | Non- Current | Current | Non- Current | Current |
| Balances with banks | | | | | | |
| -in current and cash credit accounts | - | 3,78,866 | - | 3,89,957 | - | 8,620 |
| Bank fixed deposit with maturity- | | | | | | |
| -of less than three months | | 26,97,944 | | 25,00,000 | | |
| -Within one year | | 10,71,859 | | 10,00,000 | | |
| Cash in hand | | - | | 94,252 | | 19,252 |
| Total cash and cash equivalents | - | 41,48,669 | - | 39,84,209 | - | 27,872 |

Cash at bank earns interest at bank deposit rates

Details of specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 provided in the table below:

| Particulars | SBNS | | Other Denomination Notes | | Total | |
|--|--------------|--------|--------------------------|--------|--------------|--------|
| | Denomination | Amount | Denomination | Amount | Denomination | Amount |
| Closing cash in hand as on 08.11.2016 | 1,000 | 40,000 | | | 1,000 | 40,000 |
| | 500 | 54,000 | | | 500 | 54,000 |
| | | | 100 | 200 | 100 | 200 |
| | | | 50 | 50 | 50 | 50 |
| | | | 1 | 2 | 1 | 2 |
| (a) | 1,500 | 94,000 | 151 | 252 | 1,651 | 94,252 |
| (+) Permitted receipt | | | | | | |
| (-) Permitted payments | | | | | | |
| (-) Amount deposited in banks | 1,000 | 40,000 | | | 1,000 | 40,000 |
| | 500 | 54,000 | | | 500 | 54,000 |
| | | | 100 | 200 | 100 | 200 |
| | | | 50 | 50 | 50 | 50 |
| | | | 1 | 2 | 1 | 2 |
| (b) | 1,500 | 94,000 | 151 | 252 | 1,651 | 94,252 |
| Closing cash in hand as on 30.12.2016 (a) -(b) | - | - | - | - | - | - |

Note 7 : Other financial assets

| | 31.3.2017 | | 31.3.2016 | | 1.4.2015 | |
|-------------------------------------|-------------|-----------------|-------------|-----------------|-------------|----------|
| | Non-current | Current | Non-current | Current | Non-current | Current |
| Interest accrued but not due | - | 1,94,334 | - | 1,98,955 | - | - |
| Total other financial assets | - | 1,94,334 | - | 1,98,955 | - | - |



Note 8 (a) : Equity share capital

Authorised equity share capital with voting rights

(IN INR)

| | Number of shares | Amount |
|--------------------------|------------------|----------|
| As at 1st.April, 2015 | 22,500 | 2,25,000 |
| Increase during the year | 27,500 | 2,75,000 |
| As at 31st.March,2016 | 50,000 | 5,00,000 |
| Increase during the year | - | - |
| As at 31st.March,2017 | 50,000 | 5,00,000 |

Issued equity capital with voting rights

Equity shares of Rs 10 each issued, subscribed and fully paid

(IN INR)

| | Number of shares | Amount |
|-------------------------|------------------|----------|
| As at 1st.April, 2015 | 21,750 | 2,17,500 |
| Changes during the year | 2,900 | 29,000 |
| As at 31st.March,2016 | 24,650 | 2,46,500 |
| Changes during the year | - | - |
| As at 31st.March,2017 | 24,650 | 2,46,500 |

(i) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of the preferential amounts in proportion to their shareholding.

(ii) Shares of the company held by holding company

| | 31.3.2017 | 31.3.2016 | 1.4.2015 |
|-----------------------------------|-----------|-----------|----------|
| Isgec Heavy Engineering Limited * | 24,650 | 24,650 | 21,750 |

(ii) Detail of share holders holding more than 5% shares in the company

| | 31.3.2017 | | 31.3.2016 | | 1.4.2015 | |
|-----------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|
| | Number of shares | % of holding | Number of shares | % of holding | Number of shares | % of holding |
| Isgec Heavy Engineering Limited * | 24,650 | 100 | 24,650 | 100 | 21,750 | 100 |

* Out of 24,650 shares held by Isgec Heavy Engineering Limited 400 shares are held by four individuals holding 10 share each as nominee of Isgec Heavy Engineering Limited



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2017

Other equity

8 (b) Reserves and surplus

| | 31.3.2017 | 31.3.2016 | 1.4.2015 |
|-----------------------------------|--------------------|--------------------|--------------------|
| Securities premium reserve (i) | 7,74,98,500 | 7,74,98,500 | 6,21,57,500 |
| Retained earnings (ii) | 1,80,237 | (12,285) | (1,36,864) |
| Total reserves and surplus | 7,76,78,737 | 7,74,86,215 | 6,20,20,636 |

(i) Securities premium reserve

| | 31.3.2017 | 31.3.2016 |
|--------------------------------|--------------------|--------------------|
| Opening balance | 7,74,98,500 | 6,21,57,500 |
| Additions during the year | - | 1,53,41,000 |
| Less: utilised during the year | - | - |
| Closing balance | 7,74,98,500 | 7,74,98,500 |

(ii) Retained earnings

| | 31.3.2017 | 31.3.2016 |
|------------------------|------------------|------------------|
| Opening balance | (12,285) | (1,36,864) |
| Profit for the year | 1,92,522 | 1,24,579 |
| Closing balance | 1,80,237 | (12,285) |

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings

This comprise company's undistributed profit after taxes



Freelook Software Private Limited

Note to financial statements for the year ended 31.3.2017

Note 9 : Trade payables

(IN INR)

| | 31.3. 2017 | | 31.3. 2016 | | 1.4.2015 | |
|-----------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Non- Current | Current | Non- Current | Current | Non- Current | Current |
| Trade payables | - | 40,480 | - | 22,900 | - | 22,800 |
| Total Trade payables | - | 40,480 | - | 22,900 | - | 22,800 |

Note 10 : Current tax liabilities (net)

| | 31.3.2017 | 31.3.2016 | 1.4.2015 |
|--|--------------|---------------|----------|
| Current tax payable for the year | 53,292 | 55,710 | - |
| Less : taxes paid | (48,733) | (888) | - |
| Total current tax liabilities (net) | 4,559 | 54,822 | - |



Freelook Software Private Limited
 Note to financial statements for the year ended 31.3.2017

Note 11 : Other income

| | (IN INR) | |
|---------------------------|-----------------|-----------------|
| | 31. 03.2017 | 31.03.2016 |
| Interest income | 2,95,126 | 2,07,832 |
| - On fixed deposits | | |
| - On income Tax Refund | 228 | |
| Total other income | 2,95,354 | 2,07,832 |

Note 12 : Other expenses

| | | |
|-----------------------------|---------------|---------------|
| Filing Fee | 2,500 | 2,013 |
| Bank Charges | 189 | 630 |
| Professional Expenses | 32,780 | 2,000 |
| Statutory audit fees * | 34,500 | 22,900 |
| Total other expenses | 69,969 | 27,543 |

* Include service tax 4,500 2,900

Note 13 : Income tax expense

This note provides an analysis of the company's income tax expense and how the tax expense is affected by non-deductible items. For significant estimates refer note 3

| | | |
|--|----------|----------|
| (a) Current tax | 67,320 | 55,710 |
| MAT Credit Entitlement | (14,028) | - |
| Tax relating to earlier year(net) | (20,429) | - |
| Total current tax expense | 32,863 | 55,710 |
| (b) Deferred tax | - | - |
| Total deferred tax expense | - | - |
| Total income tax expense | 32,863 | 55,710 |
| Income tax expense is attributable to: | | |
| Profit from continuing operation | 2,25,385 | 1,80,289 |

Reconciliation of tax expense and accounting profit multiplied by tax rate

| | | |
|---|----------|----------|
| Profit from continuing operation before income tax expense | 2,25,385 | 1,80,289 |
| Tax @29.87 % (2016-17) | 67,320 | 55,710 |
| Tax effect amounts which are not deductible in calculating taxable income | | |
| MAT Credit Entitlement | (14,028) | - |
| Tax relating to earlier year(net) | (20,429) | - |
| Income tax expense | 32,863 | 55,710 |



Freelook Software Private Limited
 Note to financial statements for the year ended 31.3.2017

Note 14 : Earnings per share(EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares

There are no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements

To calculate the EPS for continuing operation, the weighted average number of equity shares for both the basic and diluted EPS is as under:

| | 31.3.2017 | 31.3.2016 |
|---|-----------|-----------|
| Profit/(loss) after tax from continuing operation | 1,92,522 | 1,24,579 |
| Weighted average number of equity shares used as denominator for calculating of earning per share | 24,650 | 23,984 |
| Basic earnings per share | 7.24 | 5.19 |
| Diluted earnings per share | 7.24 | 5.19 |

Note 15 : Related Party transactions

| | 31.3.2017 | 31.3.2016 | 1.4.2015 |
|---|-----------|-----------|----------|
| (a) Transactions with related parties Holding company - Isgec Heavy Engineering Limited | - | - | - |
| b) Key Management Personnel | - | - | - |

Note 16 : Fair value measurements

Financial instruments by category

| Note | 31.3.2017 | | | 31.3.2016 | | | 1.4.2015 | | |
|------------------------------------|-----------|-------|------------------|-----------|-------|------------------|----------|-------|----------------|
| | FVPL | FVOCI | Amortised cost | FVPL | FVOCI | Amortised cost | FVP | FVOCI | Amortised cost |
| Financial assets | | | | | | | | | |
| Interest accrued and due | 7 | | 1,94,334 | | | 1,98,955 | | | |
| Cash and cash equivalents | 6 | | 41,48,669 | | | 39,84,209 | | | 27,872 |
| Total financial assets | - | - | 43,43,003 | - | - | 41,83,164 | - | - | 27,872 |
| Financial liabilities | | | | | | | | | |
| Trade payables | | 9 | 40,480 | | | 22,900 | | | 22,800 |
| Total financial liabilities | - | - | 40,480 | - | - | 22,900 | - | - | 22,800 |

Fair values of financial assets and liabilities are measured at amortised cost as the carrying amounts are considered equal to their fair values

Freelook Software Private Limited
 Notes to financial statements for the period ended 31.03.2017

Note 17 : Financial risk and management

The company's financial liabilities comprise only trade payables for services, and financial assets include cash and cash equivalents and other financial assets measured at amortised cost. The company is exposed to credit risk and liquidity risk

(a) Credit risk
 Credit risk is the risk that a counterparty will not meet the obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed from its financing activities, including deposits with banks and other financial instruments. The board of directors reviews and agrees policies for managing each of these risks. The limits are set to minimise the concentration of risks and therefore mitigate loss through counterparty's potential failure to make payments.

(b) Liquidity risk
 Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due.

Maturities of financial liabilities
 The following table summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| | 31.3.2017 | 31.3.2016 | 1.4.2015 | Total |
|---|------------------------|------------------------|------------------------|---------------|
| Contractual maturities of financial liabilities | less than three months | less than three months | less than three months | Total |
| Non-derivatives | | | | |
| Trade payables | 40,480 | 22,900 | 22,800 | 86,180 |
| Total Non-derivatives | 40,480 | 22,900 | 22,800 | 74,680 |



**Note 18 : First-time adoption of IND AS
Transition to IND AS**

These financial statements for the year ended 31.3.2017, are the first the company has prepared in accordance with IND AS. For periods upto and including the year ended 31.3.2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAPP).

Accordingly, the company has prepared financial statements which comply IND AS for periods ending on 31.3.2017 together with the comparative period data as at and for the year ended 31.3.2016, as described in the summary of significant policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1.4.2015, the company's date of transition to IND AS. An explanation of how the transition from previous GAPP to IND AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable IND AS 101 optional exemption and mandatory exceptions applied in the transition from previous GAPP to IND AS.

A.1 IND AS optional exemption

A.1.1 Deemed cost

IND AS permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to IND AS, measured as per the previous GAPP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure land acquired under perpetual lease for 99 years shown as 'leasehold land' under property, plant and equipment (refer note 4) at their previous GAPP carrying value. The company does not have any other property, plant and equipment apart from the said land.

A.2 IND AS Mandatory exceptions

A. 2.1 Estimates

An entity's estimates in accordance with IND AS at the date of transition to IND AS shall be consistent with estimates made for the same date in accordance with previous GAPP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

IND AS estimates as at 1.4.2015 are consistent with the estimates as at the same date made in conformity with previous GAPP.

A. 2.2 De-recognition of financial assets and liabilities

A first-time adopter shall apply the derecognition requirements in IND AS 109. Financial instruments prospectively for transactions occurring on or after the date of transition to IND AS. Therefore, if a first-time adopter derecognised non-derivative financial assets or non-derivative liabilities in accordance with its previous GAPP as a result of a transaction that occurred before the date of transition to IND AS, it shall not recognise those assets and liabilities in accordance with IND AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in IND AS 109 retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply IND AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of IND AS prospectively from the date of transition to IND AS.

A. 2.3 Classification and measurement of financial assets

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to IND AS.

B Reconciliations between previous GAPP and IND AS

IND AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. However, in preparing its opening IND AS Balance sheet, no adjustments have been made by the company in restating its Indian GAPP financial statements, therefore the requirements of IND AS 101 relating to reconciliation of its equity and total comprehensive income and cash flows do not apply.

For K.C.Malhotra & Co.
Chartered Accountants
(Firm regd.No.000057N)

(Ramesh Malhotra)
Partner
Membership no.013624
Place: New Delhi
Date: 28.5.2017



For and on behalf of Board of directors

(J.K.Chowdhery)
Director
DIN:00087556

(S.K.Khorana)
Director
DIN:00085300